

BELMONT WARRANT COMMITTEE FY08 MEETING MINUTES
FINAL
FEBRUARY 27, 2008, 7:30 P.M.
CHENERY MIDDLE SCHOOL COMMUNITY ROOM

Present: Chair Curtis; Members Allison, Brusch, Callanan, Epstein, Heigham, Lynch, McLaughlin, Oates, Paolillo, and White; Town Administrator Younger, Assistant Town Administrator Conti, Town Treasurer Carman; BOS Chair Firenze, School Committee Chair Bowe, Town Accountant Hagg
Absent: Member Hofmann, Jones, and Widmer

The meeting was called to order at 7:31 pm by Chair Curtis.

Chair Curtis began by addressing the meeting's agenda. We will begin by looking at non-override budgets for the town and schools and will hear subcommittee reports at the end.

Presentation of further budget cuts by Town/School departments to address revenue shortfall

Chair Curtis: The goal of this discussion is to determine the available revenues and remove from that total the things we have no control over (discretionary versus non-discretionary net). We will look to see what it means to live with that net revenue, which amounts to the non-override budget.

Curtis then asked: has the revenue picture changed?

BOS Chair Firenze replied that yes, he has met with the Board of Assessors and that the revenue amount will be impacted by additional money (\$423K) that is being released from the Overlay Account. This is possible to do for three reasons: 1) New accounting software has assisted the Assessors and has improved their assessment accuracy. 2) Treasurer Carman has been aggressive in collecting delinquent taxes. 3) The town's liability in potential court cases has been reduced (it is more likely now that the town would win such cases and therefore can now hold back less money for the purpose of litigation).

Additionally, BOS Chair Firenze said that the town is building up its health premium reserves at a faster rate than expected. This accelerated savings does not even take into account plan design changes, which will take effect April or May 1st. The town could save \$300K a year, and may be in a position to reduce its 7% goal to the 4-5% range.

Having heard the revenue adjustments, Chair Curtis turned the WC's attention to hearing from the town and schools "what exactly it means to live within their prospective budgets." The level-service budget gap for the school side stands at \$663K, and the gap is \$350.5K on the town side (\$1.1M total gap).

Town Reductions

Town Administrator Younger: While cutting \$350.5K has been a painful exercise, it was not unexpected. The Department Heads got into the mindset of reducing through the cutting-10 % reduction exercise. The question I've asked is how to keep town hall and government operating, with the least pain to the town's residents. The major impacted items are the following: o reduce street lighting by 50% for a savings of \$178K o reduce overtime fund in police and fire departments for a savings of \$60K - (some shifts won't get filled) o reduce library by \$14K (Sunday hours eliminated) o reduce DPW tree budget by \$13K (no new trees planted)

School reductions

Dr. Missal, School Department Financial Director, presented the WC with the school cuts. Dr. Missal: \$114K worth of savings can be taken off the top without losing services due to salary savings, less costly legal services, etc. The proposed SC budget first eliminated full-day Kindergarten, the high school Guidance and Assessment Director position, as well as 4 teacher positions (two hired last September and two slated to be hired (5th grade and high school) - all hired or slated to be hired to address increased student enrollment upsurge issues).

Missal continued: We tried to stay away from cutting teachers, as they were hired/requested to address the climbing enrollment. Additional cuts include: instrumental musical program, textbooks, all elementary library aids, probably the freshman sports programs will be adversely

impacted, certain activities will be cut, bus fees will increase and 5 additional classroom teachers are slated to go for a total of 11 personnel cuts (8 teachers, 3 library aid equivalents). Member Allison questioned the decision process behind cutting those additional classroom teachers, while retaining elective courses at the high school (e.g. photography, ceramics) which are not central to the core curriculum. How does the high school come in so low in the cuts, she asked, while the elementary so high? Dr. Missal indicated that 2.5 positions at the high school are being cut, and that the middle school already has very large class sizes. SC Chair Bowe added that the high school had been hit severely in the past, while the elementary schools were spared, and that it's no longer possible to spare the elementary schools. Several WC Members asked how the SC would spend the additional \$265K (its portion of the Overlay Account's released funding of \$423), but it would require a SC meeting to make that decision.

The Override Discussion

The WC turned its attention to the issue of a potential roads / operating override.

BOS Chair Firenze: If we skip an operating override this year, we are looking at a \$3.5M override for FY10. We can expect less free cash in the years ahead, as we are taking out our budget cushions year after year. Each year we have worked hard to identify funds within the budget that have allowed us to close the gap. These sources of "one time money" are dwindling, while the spending rate is growing.

Member Callanan asked: The town is watching closely at how we are spending money. Where are we with respect to a roads override? Firenze replied that the BOS had wanted to understand the impact of tonight's budget discussion and that they are prepared to decide by Saturday's March 1st meeting.

Several WC members pointed out that in placing an operating override on the April ballot this year, does not eliminate the need for another operating override next year.

From the audience: Paul Roberts, TM Member, expressed concern about the depth of cuts required to meet the deficit. There are volumes of research which reinforce the importance of class size - this data points to the urgency for an operating override. Can one be put on the ballot in April? Perhaps in May? BOS Chair Firenze replied that special elections are not fair to voters; it should happen at the annual election. Furthermore, any override vote has less than a 50/50 chance of passing. TM Member Anne Mahon asked if the Woodfall property sale proceeds can be put towards the roads (to obviate the need for a road's override). The answer was no - that money (\$2M) cannot be spent on anything except for a bondable capital project (building) or put in reserves for an appropriate bondable service.

Member Bruschi: Regarding the override question and special elections - if one looks at the voter turnout in April for an uncontested election, the turnout is no different in special elections. In the past we have had override votes in May and June where the turnout was the same as the April election. We (the WC) have always been careful and have never decided override questions in just 3 days. If an override is placed on the ballot, we need for it to be successful and give it the best possible shot. That may be unwise for April 7.

Audience member Becker said even if the teachers are potentially restored, it is still very sad to have a system with no instrumental music program, less physical education options, and no library program. Audience member Peg Isenbeck agreed: there is a lot of concern out there among parents. There is a sense that the system is slowly crumbling and that these cuts are cutting at the core. They will have a serious effect in this town.

Member Heigham moved that the WC adjourn at 9:29 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary

